



LG&E Energy LLC
220 West Main Street (40202)
P.O. Box 32030
Louisville, Kentucky 40232

February 14, 2005

VIA HAND DELIVERY

Ms. Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602-0615

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FEB 14 2005

PUBLIC SERVICE
COMMISSION

**Re: PowerGen plc, LG&E Energy Corp., Louisville Gas & Electric Company,
and Kentucky Utilities Company (Case No. 2000-095)
and
E.ON AG, PowerGen plc, LG&E Energy Corp., Louisville Gas & Electric
Company, and Kentucky Utilities Company (Case No. 2001-104)**

Dear Ms. O'Donnell:

Pursuant to the Commission's Order in Case No. 2000-095, the Companies do hereby file responses to filing requirements contained within that Order's *Summary of Findings* and *Appendix B*. Also, pursuant to the Commission's Order in Case No. 2001-104, the Companies do hereby file responses to filing requirements contained within that Order's *Appendix A*. An original and three (3) copies of these responses are enclosed. The Companies' response for Louisville Gas and Electric Company to *Summary of Findings, No. 8* and *Appendix B, Reporting Requirements to be filed Quarterly, No. 3, Case No. 2000-095*, was filed separately with the Commission's Rates and Tariffs Division on February 14, 2005.

Please note that the jurisdictional statements for Kentucky Utilities Company ("the KU Statements") will be delayed. The KU Statements for year-end require a detailed cost-of-service analysis covering three states, plus splits between Kentucky retail and wholesale jurisdictions. There are numerous internal checks and balances to assure accurate statements. These internal efforts are in progress and, therefore, the Companies anticipate the KU Statements for the year ending December 31, 2004, will be filed with the Commission no later than February 21, 2005.

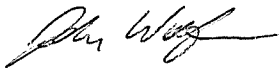
February 14, 2005

Ms. Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission

Please confirm your receipt of this filing by placing the File Stamp of your Office with date received on the extra copy and returning it to me in the enclosed envelope.

Should you have any questions regarding the information filed herewith, or any questions about the delay in the filing of the jurisdictional statements for Kentucky Utilities Company, please contact me at 502-627-4110 or contact Roger Hickman at 502-627-4031.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "John Wolfram", with a stylized flourish at the end.

John Wolfram
Manager, Regulatory Affairs

Enclosures

Cc: Mr. Richard G. Raff, Office of the General Counsel
Mr. Isaac Scott, Financial Analysis Division
Ms. Joyce Spear, Rates and Tariffs Division

**POWERGEN, PLC, LG&E ENERGY, LOUISVILLE GAS & ELECTRIC
COMPANY, AND KENTUCKY UTILITIES COMPANY**

CASE NO. 2000-095

Response to Summary of Findings, No. 8

**“...the supplemental financial reports” of LG&E and KU “should be filed with the
Commission within 45 days of the close of the reporting period.”**

Response to Appendix B, Reporting Requirements, To Be Filed Quarterly, No. 3

**“Twelve-month income statements and balance sheets. LG&E will separately
report gas and electric operations, and KU will separately report Kentucky
jurisdictional operations and other jurisdictional operations.”**

On February 14, 2005, the Companies advised the Commission that the requisite jurisdictional statements for Kentucky Utilities Company for the quarter ending December 31, 2004 (“the December Statements”) would be delayed. The December Statements will be filed no later than February 21, 2005.

The requisite jurisdictional statements for Louisville Gas and Electric Company, for the period ending December 31, 2004, were separately filed with the Commission’s Rates and Tariffs Division on February 14, 2005. Copies of these statements are attached.

Louisville Gas and Electric Company
Income Statement on a Total Company and Jurisdictional Basis
12 Months Ending December 31, 2004

	<u>Electric</u>	<u>Gas</u>	<u>Total</u>
OPERATING REVENUES			
Residential Sales	240,779,094	222,573,506	463,352,600
Small (or Comm.)	202,024,604	88,774,029	290,798,633
Large (or Ind.)	119,758,186	15,277,413	135,035,599
Public Street and Highway Lighting	6,461,744	-	6,461,744
Other Sales to Public Authorities	55,804,544	15,533,254	71,337,798
Rate Refunds	(11,418,076)	-	(11,418,076)
Total Sales to Ultimate Consumers	<u>613,410,096</u>	<u>342,158,202</u>	<u>955,568,298</u>
Sales for Resale	185,563,007	7,194,787	192,757,794
Forfeited Discounts	1,723,118	1,409,124	3,132,242
Transportation Revenue	-	6,140,235	6,140,235
Miscellaneous Service Revenues	1,002,834	44,632	1,047,466
Rent from Electric/Gas Property	2,660,253	377,830	3,038,083
Interdepartmental Rents	-	107,268	107,268
Other Electric Revenue	11,337,802	-	11,337,802
Other Gas Revenue	-	(360,793)	(360,793)
Total Operating Revenues	<u>815,697,110</u>	<u>357,071,285</u>	<u>1,172,768,395</u>
OPERATING EXPENSES			
Operation Expense	473,094,637	306,830,319	779,924,956
Maintenance Expense	63,347,759	9,434,846	72,782,605
Depreciation Expense	97,089,765	15,579,215	112,668,980
Amort. & Depl. of Utility Plant	3,079,793	1,026,598	4,106,391
Amor. of Property Losses, Unrecovered	-	-	-
Plant and Regulatory Study Costs	(855,500)	-	(855,500)
Regulatory Credits	14,123,907	4,676,253	18,800,160
Taxes Other Than Income Taxes	31,861,981	3,327,850	35,189,831
Income Taxes - Federal	11,484,641	1,873,020	13,357,661
- State	48,368,287	10,811,452	59,179,739
Provision for Deferred Income Taxes	(38,121,895)	(10,494,494)	(48,616,389)
(Less) Provision for Deferred Income Taxes - Cr.	(3,957,673)	(195,173)	(4,152,846)
Investment Tax Credit Adj. - Net	(347,605)	-	(347,605)
Gain (Loss) from Disposition of Allowances	657,468	-	657,468
Accretion Expense	<u>699,825,565</u>	<u>342,869,886</u>	<u>1,042,695,451</u>
Total Utility Operating Expenses	<u>115,871,545</u>	<u>14,201,399</u>	<u>130,072,944</u>
Net Utility Operating Income			691,977
TOTAL Other Income			3,988,650
TOTAL Other Income Deductions			(1,628,673)
TOTAL Taxes on Other Income and Deductions			<u>(1,668,000)</u>
Net Other Income and Deductions			
INTEREST			
Interest on Long - Term Debt			30,066,195
Amort. of Debt Disc. and Expenses			434,631
Amortization of Loss on Recquired Debt			1,061,358
Other Interest Charges			1,224,404
Total Interest Charges	<u>27,319,955</u>	<u>5,466,633</u>	<u>32,786,588</u>
Net Income			<u><u>95,618,356</u></u>

Louisville Gas and Electric Company
Balance Sheet on a Total Company and Jurisdictional Basis
December 31, 2004

	<u><i>Electric</i></u>	<u><i>Gas</i></u>	<u><i>Total</i></u>
UTILITY PLANT			
Utility Plant	\$ 3,246,806,388	\$ 530,015,618	\$ 3,776,822,006
Construction Work in Progress	108,501,605	28,340,349	136,841,954
TOTAL UTILITY PLANT	3,355,307,993	558,355,967	3,913,663,960
Less: Accum. Prov. for Depr. Amort. Depl.	1,421,956,805	194,598,114	1,616,554,919
Net Utility Plant	1,933,351,188	363,757,853	2,297,109,041
Gas Stored Underground - Noncurrent	-	2,139,990	2,139,990
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property	80,698	-	80,698
Less: Accum. Prov. for Deprec. and Amort.	63,360	-	63,360
Other Investments	490,000	-	490,000
TOTAL Other Property and Investments	507,338	-	507,338
CURRENT AND ACCRUED ASSETS			
Cash	5,531,192	1,190,393	6,721,585
Special Deposits	9,028,853	1,943,140	10,971,993
Working Fund	41,370	17,680	59,050
Temporary Cash Investments	-	-	-
Customer Accounts Receivable	64,544,892	28,254,517	92,799,409
Other Accounts Receivable	10,053,503	1,774,116	11,827,619
Less: Accum. Prov. for Uncollectible Acct.-Cr	545,992	239,008	785,000
Notes Receivable from Assoc. Companies	-	-	-
Accounts Receivable from Assoc. Companies	-	-	-
Fuel Stock	21,771,164		21,771,164
Plant Materials and Operating Supplies	22,277,421	225,024	22,502,445
Stores Expense Undistributed	3,619,790	36,564	3,656,354
Gas Stored Underground - Current		77,502,952	77,502,952
Prepayments	3,200,099	688,708	3,888,807
Misc. Current & Accrued Assets	32,241	-	32,241
Interest and Dividends Receivable	24,193	5,207	29,400
Rents Receivable	61,499	13,236	74,735
Accrued Utility Revenues	27,065,000	35,979,000	63,044,000
TOTAL Current and Accrued Assets	166,705,226	147,391,528	314,096,754
DEFERRED DEBITS			
Unamortized Debt Expenses	6,956,179	1,497,070	8,453,249
Other Regulatory Assets	81,786,895	22,381,236	104,168,131
Miscellaneous Deferred Debits	35,073,886	24,140,819	59,214,705
Unamortized Loss on Reacquired Debt	16,681,565	3,590,114	20,271,679
Accumulated Deferred Income Taxes	78,918,827	11,368,685	90,287,512
TOTAL Deferred Debits	219,417,352	62,977,924	282,395,276
TOTAL Assets and Other Debits	<u>\$ 2,319,981,104</u>	<u>\$ 576,267,295</u>	<u>\$ 2,896,248,399</u>

Louisville Gas and Electric Company
Balance Sheet on a Total Company and Jurisdictional Basis
December 31, 2004

	<u>Electric</u>	<u>Gas</u>	<u>Total</u>
PROPRIETARY CAPITAL			
Common Stock Issued	\$ 349,872,742	\$ 75,297,682	\$ 425,170,424
Preferred Stock Issued	58,843,255	12,663,921	71,507,176
Other Paid - In Capital	32,920,690	7,085,009	40,005,699
Other Comprehensive Income	(9,154,844)	(1,970,255)	(11,125,099)
(Less) Capital Stock Expense	1,583,399	340,770	1,924,169
Retained Earnings	439,446,543	94,575,261	534,021,804
TOTAL Proprietary Capital	870,344,987	187,310,848	1,057,655,835
LONG-TERM DEBT			
Long-Term Notes Payable to Associated Companies	185,152,500	39,847,500	225,000,000
Mandatory Redeemable \$5.875 Series Preferred Stock	18,515,250	3,984,750	22,500,000
Bonds	472,594,762	101,709,238	574,304,000
TOTAL Long - Term Debt	676,262,512	145,541,488	821,804,000
OTHER NONCURRENT LIABILITIES			
Accumulated Provision for Pensions and Benefits	55,437,194	11,930,887	67,368,081
TOTAL OTHER Noncurrent Liabilities	55,437,194	11,930,887	67,368,081
CURRENT AND ACCRUED LIABILITIES			
Notes Payable	-	-	-
Notes Payable to Associated Companies	89,054,238	19,165,762	108,220,000
Accounts Payable	136,801,152	29,441,590	166,242,742
Accounts Payable to Associated Companies	26,093,049	5,615,602	31,708,651
Customer Deposits	9,748,697	4,267,491	14,016,188
Taxes Accrued	11,418,369	2,457,399	13,875,768
Interest Accrued	4,670,081	1,005,069	5,675,150
Dividends Declared	478,384	102,955	581,339
Tax Collections Payable	1,100,396	236,821	1,337,217
Miscellaneous Current and Accrued Liabilities	3,494,897	752,152	4,247,049
TOTAL Current and Accrued Liabilities	282,859,263	63,044,841	345,904,104
DEFERRED CREDITS			
Customer Advances for Construction	530,705	10,153,522	10,684,227
Asset Retirement Obligations	10,266,345	-	10,266,345
Accumulated Deferred Investment Tax Credits	44,505,479	1,670,953	46,176,432
Other Deferred Credits	23,359,164	13,051,847	36,411,011
Other Regulatory Liabilities	35,857,587	3,260,536	39,118,123
Accumulated Deferred Income Taxes	400,131,236	60,729,005	460,860,241
TOTAL Deferred Credits	514,650,516	88,865,863	603,516,379
Electric/Gas adjustment to balance	(79,573,368)	79,573,368	
TOTAL Liabilities and Other Credits	<u>\$ 2,319,981,104</u>	<u>\$ 576,267,295</u>	<u>\$ 2,896,248,399</u>

**POWERGEN, PLC, LG&E ENERGY, LOUISVILLE GAS & ELECTRIC
COMPANY, AND KENTUCKY UTILITIES COMPANY**

CASE NO. 2000-095

Response to Summary of Findings, No. 12

“The Applicants should file semi-annually a report detailing the adoption and implementation of best practices at LG&E and KU. The report should be filed 45 days after the close of the reporting period.”

The Companies Value Delivery Team Best Practice implementation process is complete as of the filing of the Value Delivery Best Practice Progress Reports of February 13, 2004 (“the February 2004 VDT Best Practice Reports”).

Any review or discussion of the February 2004 VDT Best Practice Reports should consider two important parameters. **First**, cost-to-achieve amounts were updated following the August 14, 2001 filing to reflect the numbers, as of December 31, 2001, for those individuals electing early retirement, for those persons selecting the severance package, and for those positions to be back-filled. **Second**, savings are cumulative and on-going from Year 3.

**POWERGEN, PLC, LG&E ENERGY, LOUISVILLE GAS & ELECTRIC
COMPANY, AND KENTUCKY UTILITIES COMPANY**

CASE NO. 2000-095

Response to Summary of Findings, No. 16

“PowerGen and LG&E Energy should, every 6 months, provide reports on the actual costs of the LG&E Energy acquisition, as described in this Order. The reports should be as of June 30 and December 31...”

With the July 1, 2002, closing of E.ON AG's acquisition of Powergen plc, which the Commission approved in its Order in Case No. 2001-104, there are no further changes to this schedule. Therefore, the schedule dated December 31, 2001, is the final report.

Please note that the Powergen values have not changed from the December 31, 2000 and June 30, 2001 reports and, therefore, conversions of British Sterling assume 1 British Pound Sterling = \$1.4938, the conversion rate at December 31, 2000. This response is in a format similar to that provided in Case No. 2000-095 Post-Hearing Data Request No. 6.

**POWERGEN, PLC, LG&E ENERGY, LOUISVILLE GAS & ELECTRIC
COMPANY, AND KENTUCKY UTILITIES COMPANY**

CASE NO. 2000-095

Response to Appendix B, Reporting Requirements, To Be Filed Quarterly, No. 1

**“A report detailing the proportionate share of KU and LG&E in LG&E Energy’s
total operating revenues, operating and maintenance expenses and number of
employees.”**

The requested information, for the twelve-month period ending December 31, 2004 and
as of December 31, 2004, is attached.

PowerGen plc and LG&E Energy Corporation
Case No. 2000-095 - Appendix B, Reporting Requirements To Be Filed Quarterly, No. 1
KU and LG&E Share of Selected LG&E Energy Financial & Operating Numbers
Income Statement Numbers are TME December 31, 2004
Employee Number is as of December 31, 2004

	KU	LG&E
Total Operating Revenues	39.2%	46.7%
Total Operating and Maintenance Expenses	31.9%	43.8%
Number of Employees	27.6%	26.1%

**POWERGEN, PLC, LG&E ENERGY, LOUISVILLE GAS & ELECTRIC
COMPANY, AND KENTUCKY UTILITIES COMPANY**

CASE NO. 2000-095

Response to Appendix B, Reporting Requirements, To Be Filed Quarterly, No. 2

**“The number of employees of LG&E Energy and each subsidiary on the basis of
payroll assignment.”**

The requested information, as of December 31, 2004, is attached.

PowerGen plc and LG&E Energy Corporation
Case No. 2000-095 - Appendix B, Reporting Requirements To Be Filed Quarterly, No. 2
LG&E Energy and Subsidiaries Employees by Payroll Assignment
As of December 31, 2004

LG&E Energy Corp	0
LG&E Energy Services Inc.	962
Kentucky Utilities Company	937
Louisville Gas & Electric Company	886
LG&E Energy Marketing	0
Home Services	0
Enertech	0
LPI-Development	0
LPI-Power Generation	170
Western Kentucky Energy	442
CRC-Evans	0
Total LG&E Capital Corp	612
Total LG&E Energy Corporation and Subsidiaries	3,397